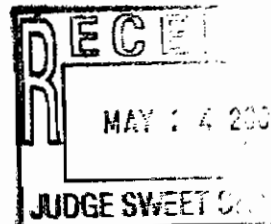




U.S. Department of Justice

United States Attorney  
Southern District of New York86 Chambers Street, 3rd Floor  
New York, New York 10007

May 24, 2006

By FacsimileHonorable Robert W. Sweet  
United States District Judge  
Southern District of New York  
500 Pearl Street, Room 1920  
New York, New York 10007

5/25/06

Re: Estate of Yaron Ungar v. Morgan Stanley, et al., 05 Civ. 3710 (RWS)

Dear Judge Sweet:

At the Government's request, the Court previously stayed the above-referenced action until May 26, 2006, which was the date upon which a mandate was to issue in the Fifth Circuit in United States v. Holy Land Foundation, No. 04-11282, provided that the Government did not file a petition for rehearing en banc. I write now respectfully to inform the Court that the Government last week filed a timely petition for rehearing en banc and that the Fifth Circuit this week ordered the Ungars to respond to the Government's petition by June 2, 2006.

As explained in more detail at both court conferences and in this Office's letter of April 10, 2006, the decision in the Fifth Circuit may directly impact the arguments the Government makes in this case. Accordingly, I respectfully request that the Court continue the stay in this matter until twenty days after the Fifth Circuit has acted on the Government's petition, at which time this Office will promptly notify the Court as to the status of the petition and request an additional stay if necessary.

I thank the Court for its consideration of this request.

Respectfully,

MICHEL J. GARCIA  
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By:

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*5.24.06*

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